

110TH CONGRESS  
1ST SESSION

# S. 2520

To amend the Internal Revenue Code of 1986 to allow Indian tribal governments to transfer the credit for electricity produced from renewable resources.

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## IN THE SENATE OF THE UNITED STATES

DECEMBER 19, 2007

Mr. JOHNSON (for himself, Mr. SMITH, and Mr. DORGAN) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to allow Indian tribal governments to transfer the credit for electricity produced from renewable resources.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. TRANSFER BY INDIAN TRIBAL GOVERNMENTS**  
4                       **OF CREDIT FOR ELECTRICITY PRODUCED**  
5                       **FROM RENEWABLE RESOURCES.**

6       (a) IN GENERAL.—Paragraph (3) of section 45(e) of  
7       the Internal Revenue Code of 1986 (relating to production  
8       attributable to the taxpayer) is amended to read as fol-  
9       lows:

1           “(3) PRODUCTION ATTRIBUTABLE TO THE TAX-  
2       PAYER.—

3           “(A) IN GENERAL.—In the case of a facil-  
4       ity in which more than 1 person has an owner-  
5       ship interest, except to the extent provided in  
6       regulations prescribed by the Secretary, produc-  
7       tion from the facility shall be allocated among  
8       such persons in proportion to their respective  
9       ownership interests in the gross sales from such  
10      facility.

11          “(B) SPECIAL RULE FOR INDIAN TRIBAL  
12      GOVERNMENTS.—In the case of a facility de-  
13      scribed in subparagraph (A) in which an Indian  
14      tribal government (within the meaning of sec-  
15      tion 7871) has an ownership interest in the  
16      gross sales from such facility, such government  
17      may assign to any other person who has such  
18      an ownership interest in such facility any por-  
19      tion of the production from the facility that  
20      would (but for this subparagraph) be allocated  
21      to such government. Any such assignment may  
22      be revoked only with the consent of the Sec-  
23      retary and shall be made at such time and in  
24      such manner as the Secretary may provide.”.

1       (b) EFFECTIVE DATE.—The amendment made by  
2 this section shall apply to electricity produced and sold  
3 after December 31, 2006.

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